

PAYMENT SYSTEMS PROCEDURES

Scheduled board and care payments are paid on a weekly basis, for a two-week pay period (or a portion thereof). The board and care payment(s) are issued through a positive billing process. The provider must verify the child was in his/her care to receive payment.

- In all cases the service authorization must be completed in a timely manner in MiSACWIS; see Reference Schedules Manual (RFS) 205, Children's Foster Care Payment Schedule.
- Warrants are issued weekly. Each warrant will cover board and care for any verified previous bi-weekly period(s) and non-scheduled payments.
- Details on service authorizations, payment requests, rosters and warrants can be found in MiSACWIS.
- Questions from a provider concerning payments that the local office cannot answer are to be referred to the central office, Payment Information line at 1 (800) 444-5364.
- Worker questions concerning payments should be directed to the Federal Compliance Division (FCD) at:
 - dhs-federalcompliancedivision@michigan.gov.

Returned, Lost, Stolen, Forged or Undelivered Warrants

Warrants issued from MiSACWIS that are returned, lost, stolen, forged or undelivered can be stopped or rewritten. Review the MiSACWIS User Guide for further instructions.

INCORRECT PAYMENTS

Corrective action must be taken when payment errors are identified. If an underpayment has occurred, the local office must complete the transaction to correct the underpayment, such as by modifying the placement service authorization to add a determination of care (DOC).

Example: The provider was not paid, but the dates are authorized. To correct the issue notify the provider so that the verification is completed.

Reconciliation of Payments

If the wrong fund source was used for a payment, reconciliation must be completed in MiSACWIS.

Recoupment of Overpayments

Foster Care Providers

Recoupment action is necessary when a provider is overpaid for services and the funds must be returned to DHS. When an error is identified, the child's payment history must be closely researched to ensure that all payments made in error are processed for recoupment. Payment recoupment includes both the placement service and case service payments.

Examples of circumstances that require recoupment include:

- Child moves from a paid, licensed provider to an unlicensed relative and an overpayment is made to the licensed provider.
- Payment to one provider continues beyond the date of the child's placement and another provider is entitled to payment for the child's care.
- Determination of Care (DOC) supplement is paid for a period of time beyond the authorization.
- A clothing allowance was made to the child's prior placement after the child moved to a new placement.
- A child does not complete driver's education but a payment was issued.

To correct these types of payment errors, the local DHS staff must ensure that the recoupment is completed in MiSACWIS. If a different provider needs to be paid for the same dates or services, the local DHS office must execute a new service authorization. The correct provider can be paid once the recoupment has been processed.

Independent Living

The Reconciliation and Recoupment Section does not request repayment for overpayments made to a youth in independent living. The worker must ensure accuracy for all independent living placements and service authorizations in MiSACWIS to ensure overpayments are not made.

Time Limit on Foster Care Payments

Requests for payment exceeding two years from the date of service will **not** be honored. To process untimely or late billings (more than 90 calendar days old and under two years) the provider must document that the payment was approved, the service was provided, and any past attempts to resolve the issue.

Exception: Requests for exception must be submitted on a DHS-659 using a service code 0827, Exceptional Request, in MiSACWIS. The DHS-659 must include narrative that details the service dates, rates and the prior efforts, if applicable, the provider made to resolve the issue. Title IV-E funds may not be used for any payment beyond two years from the date of service. The child's alternate fund source must be used for this request.

PROBLEM PAYMENT INQUIRIES

Providers with questions can contact the Payment Information line at 1 (800) 444-5364.